



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Benefits

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

DAVE RICHARD • Deputy Secretary, NC Medicaid

January 31, 2019

Mandy Cohen, MD  
Secretary  
NC Department of Health and Human Services  
2001 Mail Service Center  
Raleigh, NC 27699

Dear Secretary Cohen:

Re: Contract Award – RFP #30-190029-DHB

I have received the recommendation for contract awards for RFP #30-190029-DHB, Prepaid Health Plan Services, from Mona Moon, COO of NC Medicaid.

The Evaluation Committee recommended statewide contract awards to the following Offerors:

- AmeriHealth Caritas North Carolina, Inc.
- Blue Cross and Blue Shield of North Carolina
- United HealthCare of North Carolina, Inc.
- WellCare of North Carolina, Inc.

The award recommendation was made for the four highest scoring Offerors following a comprehensive review of all Offeror responses against the established scoring criteria. The evaluation committee did not recommend the award of any regional contracts.

The evaluation committee did an excellent job in thoroughly and thoughtfully evaluating each proposal, and it is my recommendation that the statewide award recommendation of the evaluation committee be accepted. In addition, I am also recommending the award of a regional contract to one Provider Led Entity for regions 3 and 5.

Three Provider Led Entities responded to the RFP. Only two of these, however, submitted an offer for a regional contract award: Carolina Complete Health, Inc. and Optima Family Care of North Carolina, Inc. Optima's total score did not achieve the threshold to "meet expectations" while Carolina Complete Health, Inc. met overall expectations.

I am making the additional recommendation of a regional contract award to Carolina Complete Health, Inc. because I believe it is in the best interest of the state and ensures consistency with the intent of Section 4(6)b of Session Law 2015-245, as amended by Session Law 2016-121 and Session Law 2018-48.

The inclusion of a regional Provider Led Entity will build upon the success of other community-based models of care to support beneficiaries, while allowing for additional beneficiary choice. The addition of a regional Provider Led Entity will encourage provider-led innovation and allow the state to compare different delivery models within managed care.

**NC MEDICAID**

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS**

LOCATION: 1985 Umstead Drive, Kirby Building, Raleigh NC 27603  
MAILING ADDRESS: 2501 Mail Service Center, Raleigh NC 27699-2501  
www.ncdhhs.gov • TEL: 919-855-4100 • FAX: 919-733-6608

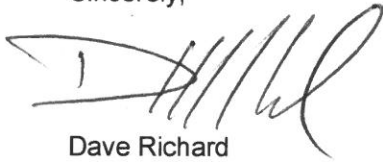
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

My recommendation is that Carolina Complete Health, Inc. be awarded a contract for regions 3 and 5, in which managed care will launch in February of 2020. This will allow for a longer implementation period and sufficient enrollment to sustain operations.

All Prepaid Health Plans, whether awarded a statewide or a regional contract, will be held to the same high standards, including a rigorous readiness review process prior to go-live.

Our Department's highest priority is the health and well-being of the beneficiaries that we serve. I commend the Evaluation Committee for their work and am pleased to put forward a recommendation that will serve Medicaid beneficiaries in managed care to the best of our ability.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Richard", with a stylized flourish at the end.

Dave Richard